

Message Text

LIMITED OFFICIAL USE

PAGE 01 BERN 04832 211646Z

63

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 INR-07 NSAE-00 PA-01

USIA-06 PRS-01 SP-02 PM-04 COME-00 TRSE-00 OMB-01 L-03

H-02 AGR-05 /045 W

----- 111651

R 211600Z NOV 75

FM AMEMBASSY BERN

TO SECSTATE WASHDC 1743

LIMITED OFFICIAL USE BERN 4832

DEPT PLEASE PASS TO MR. JUMUSHIAN, HEADQUARTERS, USAF/LGPLA

E.O. 11652: N/A

TAGS: MASS PFOR SZ

SUBJ: F5-E

REF: BERN 4534

1. BEGIN SUMMARY. DR. SOMMER OF VSM HAS EXPRESSED CONCERN ABOUT HIS FEBRUARY APPEARANCE BEFORE THE MILITARY COMMISSION OF THE NATIONAL COUNCIL (LOWER HOUSE OF PARLIAMENT), BASED ON THE REACTION LAST WEEK TO HIS TESTIMONY AT THE SECRET SESSION OF THE MILITARY COMMISSION OF THE COUNCIL OF STATES (THE UPPER HOUSE), EVEN THOUGH THE COMMISSION RECOMMENDED APPROVAL OF THE PURCHASE OF THE F5-E TO THE COUNCIL OF STATES. OFFSET WAS THE MAJOR ISSUE AND DR. SOMMER WANTS TO BE ABLE TO MAKE A BETTER CASE WHEN HE APPEARS BEFORE THE MILITARY COMMISSION OF THE NATIONAL COUNCIL. END SUMMARY.

2. THE F5-3 SALE HAS PASSED ITS FIRST PARLIAMENTARY TEST. THE MILITARY COMMISSION OF THE UPPER HOUSE HAS UNANIMOUSLY RECOMMENDED THE PURCHASE OF THE AIRCRAFT; A VOTE OF THE FULL HOUSE IS EXPECTED IN DECEMBER AND THERE IS LITTLE DOUBT THAT THERE WILL BE A MAJORITY IN FAVOR.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BERN 04832 211646Z

3. IN A CONVERSATION WITH THE ECONOMIC/COMMERCIAL COUNSELOR NOVEMBER 18, DR. A. SOMMER, EXECUTIVE SECRETARY OF THE SWISS ASSOCIATION OF MACHINERY MANUFACTURERS DESCRIBED AT SOME LENGTH HIS APPEARANCE AS A WITNESS AT THE COMMISSION HEARING AND HIS CONCERNS ABOUT HIS NEXT APPEARANCE, BEFORE THE COMMISSION OF THE LOWER HOUSE, WHICH WILL TAKE PLACE IN FEBRUARY.

4. DR. SOMMER SAID THAT THE FOCUS OF ATTACK, (BY HIS OWN PARTY MUCH TO HIS SURPRISE), WAS ON THE OFFSET ARRANGEMENT. IT WAS SAID THAT THERE WERE NO QUOTE TEETH UNQUOTE IN THE MEMORANDUM OF UNDERSTANDING; THAT NORTHROP AND GE WOULD QUICKLY LOSE INTEREST ONCE THE CONTRACT WAS SIGNED, AND THAT IF SWISS INDUSTRY EXPECTED MUCH FROM THE AGREEMENT IT WOULD BE DISAPPOINTED.

5. SOMMER SAID HE POINTED OUT THAT ONLY FOUR MONTHS HAD PASSED SINCE THE MOU WAS SIGNED, THAT THERE HAD BEEN A FEW SALES, AND THAT HE HAD NO REASON TO QUESTION THE GOOD FAITH OF THE COMPANIES.

6. HOWEVER, HE TOLD THE ECON/COMM COUNSELOR THAT HE FELT THE COMPANIES HAD NOT GIVEN HIM MUCH TO GO ON SO FAR AND THAT HE WOULD NEED MORE PRIOR TO THE HEARINGS BEFORE THE MILITARY COMMISSION OF THE NATIONAL COUNCIL. HE SAID THAT IN SPITE OF THE COMPANIES' CLAIMS HE COULD ONLY POINT TO LESS THAN \$100,000 IN SALES SO FAR. HE WAS PARTICULARLY CONCERNED THAT NORTHROP HAD CANCELLED A MEETING ON THE PILATUS AIRCRAFT JUST BEFORE THE HEARING, BECAUSE HIS QUESTIONERS PRESSED HIM HARD ON WHAT, IF ANYTHING, WOULD BE DONE FOR THE AIRCRAFT INDUSTRY AS A RESULT OF THE AGREEMENT.

7. SOMMER SAID THE RELATIONSHIP BETWEEN THE COMPANIES AND VSM IS EXCELLENT, BUT IN THIS INSTANCE HE FELT THAT CANCELLATION OF THE PILATUS MEETING WAS BADLY TIMED AND HE WOULD WISH THAT MORE THOUGHT COULD HAVE BEEN GIVEN TO THE POSSIBLE IMPACT OF CANCELLATION ON THE HEARING. FURTHERMORE, SINCE THE RECORD OF THAT HEARING WILL BE AVAILABLE TO THE MILITARY COMMISSION OF LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BERN 04832 211646Z

THE LOWER HOUSE, HE HOPES HE WILL HAVE SUBSTANTIALLY MORE CONCRETE PROOF OF THE COMPANIES' GOOD INTENTIONS TO OFFER THAT COMMISSION, IN THE FORM OF SALES CONFIRMED OR VIRTUALLY CERTAIN TO TAKE PLACE. HE SAID HE WAS UNABLE TO USE SOME OF THE FIGURES PROVIDED SO FAR BECAUSE THEY WOULD NOT, HE WAS AFRAID, STAND UP TO DETAILED SCRUTINY AND QUESTIONING WELL ENOUGH.

8. EMBASSY COMMENT: WE HAVE NOT BEEN ABLE TO CHECK SOMMER'S STATEMENTS WITH NORTHROP OR GE AND HAVE NO BASIS FOR JUDGMENT AS TO HOW LARGE A PROBLEM HE IS LIKELY TO HAVE WITH THE MILITARY COMMISSION OF THE LOWER HOUSE ON THE OFFSET QUESTION. HOWEVER, IT WOULD SEEM THAT ANYTHING THAT COULD BE DONE TO ASSIST HIM WITH HIS PRESENTATION ALONG THE LINES HE SUGGESTED WOULD BE HELPFUL IN ASSURING PASSAGE OF THE NECESSARY LEGISLATION WITH AS FEW PROBLEMS AS POSSIBLE.
ODELL

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY PROCUREMENT, AGREEMENTS, AIRCRAFT SALES, BUSINESS FIRMS, SEMINARS
Control Number: n/a
Copy: SINGLE
Draft Date: 21 NOV 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975BERN04832
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750407-0187
From: BERN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751122/aaaaasxt.tel
Line Count: 125
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 BERN 4534
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 20 JUN 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 JUN 2003 by izenbei0>; APPROVED <04 NOV 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: F5-E
TAGS: MASS, PFOR, SZ
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006